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UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

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In re:

Case No. 8-18-

SIX KIDS HOLDINGS, LLC,

CHAPTER 11

Debtor.  
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**DECLARATION OF KENNETH AHREM PURSUANT TO RULE 1007-4  
OF THE LOCAL BANKRUPTCY RULES FOR THE UNITED STATES  
BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF NEW YORK**

1. Kenneth Ahrem, the managing member and 98% owner of the debtor and debtor-in-possession (the “Debtor”), a Limited Liability Company existing under and by virtue of the laws of the State of New York, with offices located at 10 Rocky Hill Road, Mt. Sinai, New York 11766, submits this declaration of the Debtor pursuant to Rule 1007-4 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Eastern District of New York, in connection with the filing of this Chapter 11 case by the Debtor.

2. The Debtor is in business of owning a certain property located at 365 Route 25A, Mt. Sinai, New York 11766 (the “Property”). The Property consists of three commercial units.

3. The Property was purchased by the Debtor on July 17, 1998, for rental purposes. The Property is the subject of a foreclosure action pending in the Supreme Court of the State of New York, County of Suffolk, Index No. 9743/2013 and known as *U.S. Bank*

*National Association, as Trustee for Lehman Brothers Small Balance Commercial Mortgage Pass-Through Certificates, Series 2007-1 v. Six Kids Holding LLC, Kenneth Ahrem, et. al.* This foreclosure action is still pending with a hearing presently scheduled to determine the referee's computations.

4. The referee's Statement of Computation as filed by the attorneys for the secured creditor with the Supreme Court of the State of New York on May 31, 2018, indicates a balance due to the secured creditor of \$532,912.29 as of March 21, 2018. This Chapter 11 filing was necessary to avoid the foreclosure sale of the Property, which would have resulted in a significant loss to the Debtor. During the course of this Chapter 11 bankruptcy, the Debtor intends to negotiate a modification of the loan with the secured creditor or otherwise other options as may be proposed by the secured creditor.

5. There are no unsecured creditors' committee or other committee of creditors.

6. The Debtor is a limited liability company. The Debtor has no publicly held securities.

7. The Debtor's office is located at 10 Rocky Hill Road, Mt. Sinai, New York 11766.

8. The Debtor's substantial asset consists of the Property. The Debtor's books and records are located at the office at 10 Rocky Hill Road, Mt. Sinai, New York 11766. The Debtor's books and records are in the control of the Debtor.

9. To the best of my knowledge, other than the aforesaid foreclosure proceeding, the Debtor is not a party to any other litigation.

10. I am the Debtor's principal and I handle the Debtor's day-to-day affairs. I am the owner of 98% of the membership shares in the Debtor, with the remaining 2% owned in equal

shares by Kenneth Ahrem Jr. and Jesse Ahrem. The Debtor has no employees. The Debtor has no payroll.

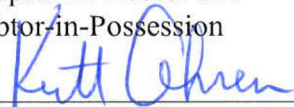
11. The Debtor does not propose to make any payments to the Debtor's officers, stockholders and directors for the 30-day period following the filing of the Chapter 11 Petition.

12. In the next 30 days, the Debtor does not expect to have any disbursements.

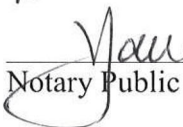
13. The Debtor intends to operate and manage its business and Property pursuant to the provisions of Chapter 11 of Title 11 of the United States Code.

14. The Debtor believes that under the provisions of the Bankruptcy Code, that it will be able to restructure its business for the benefits of all constituents.

Six Kids Holdings, LLC  
Chapter 11 Debtor and  
Debtor-in-Possession

  
By: Kenneth Ahrem, Managing  
Member

Sworn to before me this  
15<sup>th</sup> day of October, 2018.

  
Notary Public

